

## COUNTY OF SAN MATEO Inter-Departmental Correspondence

#### PLANNING AND BUILDING DEPARTMENT

DATE:

**BOARD MEETING DATE:** February 12, 2008

SPECIAL NOTICE/HEARING: None VOTE REQUIRED: Majority

**TO:** Honorable Board of Supervisors

**FROM:** Lisa Grote, Director of Community Development

**SUBJECT:** Consideration of an amendment to Division VII, Chapter 14, of the San

Mateo County Ordinance Code (the Building Regulations) to establish a "Green Building Program," including compliance with minimum standards for new construction or substantial remodels of residential single-family, low-rise multi-family, commercial and industrial buildings, as well as

incentives for expedited building permit processing for residential,

commercial and industrial construction.

#### **RECOMMENDATION**

That the Board of Supervisors approve the proposed amendment to the Building Regulations, Attachment B, and adopt the findings in Attachment A.

#### **VISION ALIGNMENT**

**Commitment:** The proposed program keeps the commitment of "Preserve and provide people access to our natural environment."

**Goal 14** states: "Important natural resources are preserved and enhanced through environmental stewardship."

The proposed "Green Building" program encourages the use of recycled materials in building construction, and encourages the use of energy efficient appliances and other building techniques. This helps reduce the demand for the use of natural resources, encouraging their preservation.

#### **BACKGROUND**

**Proposal:** The proposed amendment to the Building Regulations would establish a "Green Building Program" with minimum standards, as well as incentives for expedited building permit processing. The minimum standard of 50 GreenPoints or Leadership in Energy and Environmental Design (LEED®) certification would apply to all new residential single-family and low-rise multi-family construction and 50% remodels. Incentives would also be available for new construction or 50% remodels of residential buildings. These incentives would include a 30-day turnaround on comments from County departments for building permits receiving a GreenPoint rating of 75 points or higher and/or LEED® certification. An additional incentive would be available for those homes receiving a GreenPoint rating of 100 points or higher or LEED® 'Silver' certification, which would consist of guaranteed building inspections within two working days of a request.

For commercial and industrial construction, LEED® certification would required. For commercial and industrial projects receiving LEED® 'Silver' certification, incentives of a 30-day turnaround on comments from County departments for building permits and guaranteed building inspections within two working days of a request would be offered.

**Planning Commission Action:** The Planning Commission considered this item at their January 23, 2008 hearing. Some members of the Task Force spoke in support of

strengthening the originally proposed ordinance, while some member of the building and real estate industry spoke in favor of making it less stringent. The Commission debated extensively on the merits of strengthening the program, as well as the particulars of the proposed ordinance.

The Commission voted unanimously to recommend approval of the proposed program and ordinance, with revisions to make the program mandatory for commercial and industrial projects, to reduce the threshold for the program's application to both residential and commercial projects, and to increase the amount of the bond over what was originally proposed. In addition, the Commission also voted to have the Planning and Building Department schedule an additional public meeting on the Coastside prior to the Board hearing on the matter, to continue the work of the task force for one year with a mandate for public education and outreach, and to report back in one year on how to strengthen the program.

Report Prepared By: Matt Seubert, Project Planner, Telephone 650/363-1829

Applicant: Project Initiated by San Mateo County Planning and Building Department upon the recommendation of the Green Building Program Task Force

Location: Countywide

Environmental Evaluation: Categorically exempt from CEQA, per Class 8, Section 15308, Actions by Regulatory Agencies for Protection of the Environment. See Section B of the staff report for further discussion.

Chronology: The Green Building Task Force was created under the direction of Supervisor Mark Church and the Environmental Quality Committee of the Board of Supervisors. Its membership includes contractors, architects, environmental advocates, and homeowners, as well as County staff from the Recycle Works Program, Planning and Building Department, and Board of Supervisors staff. It is chaired by Community

Development Director Lisa Grote. It has been meeting approximately twice a month since October 2007.

#### **DISCUSSION**

#### A. KEY ISSUES

#### 1. Green Building Program

The benefits of a Green Building Program include lowering energy usage, reducing the operating and maintenance costs for buildings, providing a healthier indoor environment, reducing waste in landfills, and reducing greenhouse gases. The proposed program should enhance public health and welfare by encouraging green building measures in the design, construction, and maintenance of buildings.

Green building design, siting, construction, and operation generally have a significant positive effect on energy and resource efficiency, reduction in pollution generation, and the health and productivity of a building's occupants over the life of the building. Green building benefits are spread throughout the systems and features of the building. Green buildings may use recycled building materials, consume less energy and water, have better indoor air quality, and use less wood than conventional buildings. Construction waste is often recycled and remanufactured into other building products, resulting in reduced landfill impacts.

Green building techniques have become increasingly widespread in commercial and residential building construction. National and regional systems have been established to serve as guides and objective standards for green building practices. At the national level, the U.S. Green Building Council (USGBC) has established the Leadership in Energy and Environmental Design (LEED<sup>®</sup>) Green Building Rating System for new construction and major renovation of both residential and commercial projects. The LEED<sup>®</sup> checklist for new construction is included as Attachment E. At the regional level, Build It Green<sup>™</sup>, a non-profit organization in California, headquartered in the Bay Area, has developed New Home Construction and Home Remodeling Green Building Guidelines and a GreenPoint Rating System for single-family residences (Attachment C). Build It Green<sup>™</sup> has also developed a Multi-Family Residence GreenPoint Checklist (Attachment D).

#### 2. Certification, Compliance and Incentives for Residential Construction

#### a. Certification

"GreenPoint rated" is a building rating system for residential construction administered by the non-profit organization Build It Green™. The Task Force and Planning Commission are recommending that all new residential construction be required to achieve a 50-point or better GreenPoint rating. There are over 250 potential GreenPoints.

LEED® is an acronym for Leadership in Energy and Environmental Design, a rating system established by the USGBC as an independent means to verify the sustainable qualities of different types of buildings. The proposal would allow LEED® certification as an alternate means of qualifying for expedited building permit processing.

#### b. Mandatory Compliance

In unincorporated San Mateo County, approximately 25% of the nearly 500 annual building permits for single-family dwellings are for new construction, 75%, or 50% remodels. The proposed ordinance would require that new residential construction or 50% remodels achieve a GreenPoint rating of at least 50 points (or be LEED® certified). Task Force members are confident that earning 50 points would not impose significant costs or complications for most residential projects. For example, it is possible to earn over 30 GreenPoints by employing environmentally-friendly landscaping techniques, many of which are cost-saving and/or relatively simple measures. Installing high efficiency toilets and ENERGY STAR appliances, which are lower in operating costs than conventional appliances, earns an additional 9 points or more. See the attached GreenPoint Checklists for additional examples of how points can be earned (Attachments C and D). Attachment E shows the LEED® Checklist for new construction.

Applicants would be required to post a bond in the amount of \$5,000, or \$1.50 per square foot for the total square footage of the building, whichever is higher, in order to assure that the completed building meets the minimum mandatory compliance standards. The bond would be released once the Building Inspection Section receives verification from a GreenPoint rater or the USGBC. Rating of a project will be performed by an independent third-party rater, certified by either Build It Green™ or the USGBC. Raters will be paid by the applicant.

#### c. Expedited Building Permit Processing

The proposed ordinance would offer expedited building permit processing for those residential projects GreenPoint rated at 75 points or higher and/or LEED® certified. For qualifying projects, the County reviewing agencies would commit to a 30-day turnaround for comments on building permit applications. Typical turnaround time for such projects is currently about 10 to 12 weeks. The expedited building permit processing program should not negatively impact the Building Inspection Section's ability to process other building permits. For those projects Green Point rated at 100 points or higher or LEED® 'Silver' certified, guaranteed building permit inspections within two working days of a request would also be offered. Task Force members are confident that these incentives would be attractive to builders in that they would offer real savings in time and money during the planning and construction process.

Applicants participating in the expedited permit processing program would be required to post a \$10,000 bond. The bond would be released once the Building Inspection Section receives verification from Build It Green™ or the USGBC.

#### d. Appeals

Appeals will be heard by the Board of Building Permit Appeals, which is the final authority for such matters.

# 3. <u>Certification, Compliance and Incentives for Commercial and Industrial</u> Construction

#### a. Certification

LEED® certification would be the evaluation tool for commercial and industrial projects.

#### b. Mandatory Compliance

In unincorporated San Mateo County there are about ten permits for new construction for commercial or industrial buildings annually. All applicants for commercial and industrial building permits for new construction of buildings greater than 3,000 sq. ft., or additions of 3,000 sq. ft. or greater, would be required to be LEED® certified. Attachment E shows the LEED® Checklist for new construction.

Applicants would be required to post a bond in the amount of \$5,000, or \$1.50 per square foot for the total square footage of the building, whichever is higher, in order to assure that the completed building meets the minimum mandatory compliance standards. The bond would be released once the Building Inspection Section receives verification from the USGBC. Rating of a project will be performed by an independent third-party rater, certified by the USGBC. Raters will be paid by the applicant.

#### c. Expedited Building Permit Processing

If LEED® 'Silver' certification is proposed, the applicant may participate in an expedited permit processing program that offers the same incentives as for residential construction. For qualifying projects, the County reviewing agencies would commit to a 30-day turnaround on comments on building permit applications, as well as guaranteed building permit inspections within two working days of a request. Task Force members are confident that these incentives would be attractive to builders in that they would offer real savings in time and money during the planning and construction process.

Applicants participating in the voluntary expedited permit processing program will be required to post a \$10,000 bond. When LEED® 'Silver' certification is validated at the completion of construction, the bond will be released. Rating of a project will be performed by an independent third-party rater, certified by the USGBC. Raters will be paid by the applicant.

#### d. Appeals

Appeals will be heard by the Board of Building Permit Appeals, which is the final authority for such matters.

#### 4. Conformance with the General Plan

Staff has reviewed the proposed amendment and found it to be consistent with all General Plan goals and policies, with specific discussion of the following:

- 1.25, Protect Water Resources. This goal encourages development that prevents the depletion of groundwater resources. Both GreenPoint rated and LEED<sup>®</sup> award points to projects that reduce water usage for the irrigation of landscaping. The reduced demand for irrigation would also reduce the demand on groundwater, especially in rural areas served by wells. The proposed amendment would encourage construction that would comply with this policy.
- 1.38, Control Incompatible Vegetation. This goal encourages the control of vegetation that is harmful to the surrounding environment. The proposed amendment would encourage construction that would comply with this policy. The GreenPoint rated landscaping category awards points to projects that avoid the use of invasive species in landscaping.

- 2.2, Minimize Soil Erosion. This goal encourages the preservation of soil resources through appropriate conservation practices. The proposed amendment would encourage construction that would comply with this policy. The GreenPoint Rated Checklist awards points to projects that protect native topsoil from erosion.
- 4.24, 8.40 and 8.41, Location of Structures, Land Division, and Solar Access. These policies encourage the maximization of solar access when locating buildings and planning subdivisions. The proposed amendment would encourage construction that would comply with this policy. GreenPoint Rated awards points for projects that install solar hot water heating and photovoltaic panels, while the LEED® Checklist also awards points for renewable energy such as solar.
- 8.29, Infilling. This policy encourages the infilling of urban areas where infrastructure and services are available. The proposed amendment would encourage construction that would comply with this policy. The GreenPoint Rated Multi-Family Checklist awards several points for infill projects.
- 8.30, Mixed Use. This policy encourages development that contains a combination of land use, particularly commercial and residential development along major transportation corridors. The proposed amendment would encourage construction that would comply with this policy. The GreenPoint Rated Multi-Family Checklist awards points to mixed-use developments, and for developments proximate to public transit.
- 8.42, Buildings. This goal encourages the construction of energy efficient buildings that use renewable resources to the maximum extent possible. The proposed amendment would encourage construction that would comply with this policy. Both the GreenPoint Rated Checklist and LEED<sup>®</sup> Checklist award numerous points for energy efficient buildings that use renewable resources.

10.3 and 10.25, Water Conservation. These goals promote the conservation and efficient use of water supplies. The proposed amendment would encourage construction that would comply with this policy. The GreenPoint Rated Checklist awards points for water conservation, especially in the landscaping, plumbing and appliances categories. Similarly, the LEED® Checklist awards several points for water efficiency.

10.26, Wastewater Reuse. This goal encourages the reuse and recycling of water when feasible. The proposed amendment would encourage construction that would comply with this policy. The LEED<sup>®</sup> Checklist awards a point for innovative wastewater technologies.

13.5, Minimize Dependence on Landfills. This goal promotes recycling, resource recovery and waste reduction. The proposed amendment would encourage construction that would comply with this policy. The GreenPoint Rated Checklist awards many points for waste reduction, including recycling of job site construction waste, the use of recycled materials in construction, and the installation of a home recycling center. The LEED® Checklist also awards several points for the use of recycled and reused materials, as well as a home recycling center.

14.36, Improve the Energy Efficiency of New Housing. This portion of the Housing Element encourages improving the energy efficiency of new constructed housing. The proposed amendment would encourage construction that would comply with this policy.

#### 5. Local Modifications to the 2005 California Building Energy Efficiency Standards

Public Resources Code Section 25402.1(h)(2) allows local governments to adopt local energy standards that are more stringent than the statewide Building Energy Efficiency Standards, conditional on specific filings with the Energy Commission.

As described in Title 24, Part 1, Section 10-106, local governments can require

additional energy conservation measures. Local governments are required to apply to the Energy Commission for approval, documenting the supporting analysis for how the local government has determined that its proposed standards will save energy and be cost-effective. Once Energy Commission staff has verified that the standards will save energy, the application is brought before the full Energy Commission for approval.

The Task Force and staff have concluded, and the Planning Commission has recommended, that the proposed modifications to the 2005 California Building Energy Efficiency Standards are reasonably necessary due to local climactic conditions. As a result of summer ambient temperatures, average load demand and peak load demand of energy are important factors concerning public safety. Reduction of total and peak energy use as a result of incremental energy conservation measures required by this ordinance will have local and regional benefits in the cost-effective reduction of energy costs for building owners, additional available system energy capacity, and a reduction in greenhouse emissions.

#### 6. Program Evaluation

After the Green Building permit ordinance has been in place for one year, County staff will prepare a report on the effectiveness, ease of implementation and future expansion of the program. This report will be presented to the Task Force, Planning Commission and Board of Supervisors.

#### B. ENVIRONMENTAL REVIEW

It has been determined that this action is categorically exempt from CEQA pursuant to Section 15308 of the California Code of Regulations (State CEQA Guidelines). Section 15308 exempts actions by regulatory agencies for enhancement or protection of the environment. The proposed regulations are intended to protect and enhance the environment by encouraging the construction of buildings in a more environmentally-friendly manner.

#### C. REVIEWING AGENCIES/OTHER REVIEWING ORGANIZATIONS

Department of Public Works
Building Inspection Section
County Counsel

#### D. PUBLIC COMMENT

Two public outreach meetings were held. One was held on the Coastside in El Granada, and a second was held on the Bayside in the Emerald Lake Hills area. There were no comments or concerns expressed at the Bayside public meeting. There were about a dozen attendees at the Coastside meeting. At the Coastside meeting, there were concerns expressed about the costs of bonding and third-party rating fees for the mandatory compliance aspect of the program. There was a desire expressed for a County-modified 'green building checklist' that could be used in lieu of GreenPoint approval or LEED® certification. In addition, there was a desire for an administrative appeal process to be added to the program, before appeal to the Board of Building Permit Appeals. In addition, there was a suggestion that the County pay the fees for third-party ratings. There was also a concern that the 5,000 square foot threshold for commercial and industrial construction might be too high. Many of these same concerns were expressed at the Planning Commission hearing on January 23, 2008, as discussed in the Background Section of this report. There will be an additional public meeting scheduled on the Coastside which will be summarized at the Board public hearing.

FISCAL IMPACT

The fiscal impact on the County is undetermined, but should be negligible. It is possible

that the County may accrue some small amount of revenue from forfeited bonds,

although this is not intended or planned for. The cost of administering the program will

be absorbed within the existing Building Inspection budget. It is possible that if "Green"

homes are valued more than homes not built using green building techniques that

property tax revenues may increase slightly. However, this has not been verified.

**ATTACHMENTS** 

Α. Recommended Findings

Ordinance: Green Building Program B.

C. GreenPoint Rated New Single-Family Checklist

D. GreenPoint Multi-Family Checklist

E. LEED® for New Construction Checklist

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## COUNTY OF SAN MATEO PLANNING AND BUILDING DEPARTMENT

#### RECOMMENDED FINDINGS

Board Meeting Date: February 12, 2008

Prepared By: Matt Seubert, Project Planner For Adoption By: Board of Supervisors

#### RECOMMENDED FINDINGS

Regarding the Amendment to the Building Regulations, Find:

- That the proposed amendment will provide incentives to encourage construction of more environmentally-friendly buildings by processing building permits in an expedited manner, without negatively impacting the ability to process other building permits, as discussed in Section A.1 of the staff report.
- That the construction of more environmentally-friendly buildings will benefit the overall health, safety, and welfare of the public, as discussed in Section A.1 of the staff report.
- 3. That the project is consistent with the County's General Plan in that, as discussed in Section A.4 of the staff report, staff has examined the proposed ordinance against all applicable General Plan policies and found that the proposal furthers the goals of the General Plan.
- 4. That the modifications to the 2005 California Building Energy Efficiency Standards are reasonably necessary due to local climatic conditions. As discussed in Section A.5 of the staff report, staff has examined the proposed ordinance and found that it will incrementally reduce energy usage, creating a net benefit to public safety.

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